

THE INFLUENCE OF GREEN MARKETING ON CONSUMER BUYING BEHAVIOR (Study at The Body Shop Manado)

PENGARUH PEMASARAN HIJAU TERHADAP PERILAKU PEMBELIAN KONSUMEN
(Penelitian pada The Body Shop Manado)

By:

Gratia F. Mantiaha

Faculty of Economics and Business,
International Business Administration (IBA) Program
Sam Ratulangi University Manado

email: gfransinm@gmail.com

Abstract: Now there are so many companies that use environmental issues as their marketing strategy. This marketing strategy is known as Green Marketing. The attention to environmental issues can be seen from the increasing in environmentally awareness markets. Many companies are choosing green marketing strategy company that has a great opportunity to increase sales. With Green Marketing, companies have to compete and prove that their products are produced after going through the stages of environmental management efforts and safe to use. Data collection method of this is using a questionnaire. Multiple regression analysis was used to test the stated hypothesis and to find out the influence of dependent variable with independent variables. The respondents of this research are 40 respondents. Green marketing in this research is represented by green product and green promotion. The result shows that these two variables of green marketing have positive significant influence on consumer buying behavior simultaneously. Partially, green product has no significant influence on consumer buying behavior. While green promotion has significant on consumer buying behavior. The Body Shop should be consistent about their quality of product that already known as a good cosmetic product. Management should guarantee their product as a safe product for consumer's skin.

Keywords: green marketing, green product, green promotion, consumer buying behavior

Abstrak: Saat ini banyak perusahaan yang menggunakan isu lingkungan sebagai strategi pemasaran mereka. Strategi pemasaran ini dikenal sebagai Pemasaran Hijau. Perhatian terhadap isu lingkungan dapat dilihat dari peningkatan kesadaran pasar terhadap lingkungan. Banyak perusahaan yang memilih strategi pemasaran hijau yang memiliki kesempatan besar untuk meningkatkan penjualan. Dengan Pemasaran Hijau, perusahaan harus bersaing dan membuktikan bahwa produk mereka diproduksi setelah melalui tahapan upaya pengelolaan lingkungan dan aman untuk digunakan. Metode pengumpulan data menggunakan kuesioner. Analisis regresi berganda digunakan untuk menguji hipotesis menyatakan dan untuk mengetahui pengaruh variabel dependen dengan variabel independen. Responden penelitian adalah 40 responden. Pemasaran hijau dalam penelitian ini diwakili oleh produk hijau dan promosi hijau. Hasil penelitian menunjukkan bahwa kedua variabel pemasaran hijau memiliki pengaruh positif dan signifikan terhadap perilaku pembelian konsumen secara bersama. Secara parsial, produk hijau tidak memiliki pengaruh yang signifikan terhadap perilaku pembelian konsumen. Sementara promosi hijau memiliki pengaruh signifikan terhadap perilaku pembelian konsumen. Manajemen The Body Shop sebaiknya konsisten terhadap kualitas produk yang sudah dikenal sebagai produk kosmetik yang baik. Manajemen harus menjamin produk mereka sebagai produk yang aman untuk kulit pengguna.

Kata kunci: pemasaran hijau, produk hijau, promosi hijau, perilaku pembelian konsumen

INTRODUCTION

Research Background

During the past years, the human consciousness towards the environment and the importance of environmental protection has increased significantly. This awareness has become a global issue that changed the people's perspective and lifestyle. This is because humans are now more concerned about the threat of natural disasters. Not only the threat for people's health, but also the survival of humans living today and their descendants. Scientists and environmentalists have delivered the news about the ozone layer which has become thinner and this could potentially lead to global warming and could disrupt the global climate. People have been pushed to continue improving the quality of life in line with the changes that are occurring.

The attention to environmental issues can be seen from the increasing in environmental awareness markets. Many companies are choosing green marketing strategy company that has a great opportunity to increase sales. With Green Marketing, companies have to compete and prove that their products are produced after going through the stages of environmental management efforts and safe to use. It is one aspect of going green. Green marketing involves multiple activities. It also encourages the production of pure products by pure technology, conservation of energy, preservation of environment, minimum use of natural resources, and more use of natural foods instead of processed foods.

The demand of organic personal skincare is increasing because of go green consciousness and the growing of consumer awareness towards hazard of synthetic chemicals. Thus, consumer prefers organic personal skincare products which are non-toxic and also environmental friendly. So, increasing health awareness among consumers would continue to drive the growth of the organic personal care market during the forecast period (Transparency Market Research, 2014). The Body Shop's new Enrich Not Exploit Commitment is dedicated to enriching our people and products as well as the planet, working fairly with farmers and suppliers and helping communities thrive through our Community Trade program. The Body Shop's aim is to be the world's most ethical and truly sustainable global business, and their Commitment is the first step on our journey to achieving that aim (Edie Newsroom, 2016).

The consumer interests on green product are still growing, especially for green cosmetic or skincare product. The natural ingredients have become important consideration for cosmetics or skincare product. They choose green cosmetics product because it is safe. In Manado, The Body Shop is located in Manado Town Square. The Body Shop is well known as a favorite natural cosmetics or skincare products. There are some product that are provided by The Body Shop, such as bath and body product, skincare product, make up product, hair product, fragrance product and also product for Men. Therefore, the research will have a title "The Influence of Green Marketing On Consumer Buying Behavior (Case Study :The Body Shop Manado).

Research Objectives

The objectives of this research are to identify the significant influence of:

1. Green product and Green promotion on Consumer Buying Behavior simultaneously.
2. Green product on consumer buying behavior partially.
3. Green promotion on consumer buying behavior partially.

THEORETICAL REVIEW

Marketing

Burns and Bush (2006) defined marketing as: An organization functions, not a group of persons or separate entity within the firm. It is also a set of processes and not a single tactic such as creating and end-aisle display. The processes create, communication, deliver value to consumers. Marketing is not trying to sell consumer something; rather, it is providing consumers with something they value. Marketing is the management process for identifying, anticipating and satisfying customer requirements profitability (Charter et al, 2002).

Marketing can be defined as a set of process from creating until delivering value to consumer. It's also about how to build a strong relation between company and consumer. So, the consumer can be satisfied and company will get profit.

Green Marketing

Prakash(2002), Green Marketing refer to the strategies to promote products by employing environmental claims either about their attributes or about the systems, policies and processes of the firms that manufacture or sell them. Green marketing depends on the consumer's attitude towards the environment. It is done by businesses to increase awareness level and to show that people worried about the environment and can do something to solve some of the issues. Green marketing is a tool for protecting the environment though it is not easy to adopt in short run but in the long run it will have a positive impact on the firm. Ottman (2006) suggests a slightly different concept, according to which the first rule of green marketing is to focus on customers' benefits. This might be connected to the fact that if consumers see a benefit in the purchase, they could feel more stimulated to actually buy. With this concept, the environment becomes a benefit linked to the act of purchasing. Green marketing can be defined as an activity of company that use environment as the main issue. They use the human consciousness of environmental problem, and then they provide or offering goods or services that have a minimal impact for environment.

Green Product

Pavan(2010) define green product as incorporating the following characteristics, original grown, recycle, reusable and biodegradable with natural ingredients, possesses recycled content, non-toxic chemical, does not harm or pollute the environment, it's not tested on animals and have ecofriendly packaging. Ottman, cited by Suki(2013), a green product refers to a product that is typically nontoxic, originally grown, recycle/reusable, not tested on animals, not polluting the environment and minimally packaged; and contains natural ingredients, recycled content and approved chemicals. Green product also can defined as a product that made by natural ingredients, which the product's making process have no bad impact to environment.

Green Promotion

Green promotion allows consumers to obtain information about green products, this is why companies should focus more on green advertising. Companies should also have a large range of promotional tools like schemes, coupons, offers and premium to favorable response of the consumers in buying ecofriendly products (Manjunath, 2013). Green promotion programs are an effective means of informing stakeholders about their environmental preservation efforts, commitment, and achievements (Dahlstrom, 2011). Green promotion is how the company promoting their product, by make an advertisement about the product and it's relation with environment. It also about how the company make the advertisement bring advantage for them and positive influence to the consumer.

Consumer Buying Behavior

Consumer behavior is the study of the processes involved when individuals or group select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires (Solomon et al, 2006:6). The study of consumer behavior also enables marketers to understand and predict consumer behavior in the market place which is concerned not only with what consumers buy but also with why, when, where, how, and how often they buy it (Schiffman & Kanuk, 2007:17). So, consumer buying behavior is consumer's way of buying something that they need or they want. Consumer buying behavior could be influenced by the trend.

Previous Research

Boztepe (2012) about Green Marketing and its impact on Consumer Buying Behavior. This study aims to give information about the effect of green marketing on customers purchasing behaviors. The result are environmental awareness, green product features, green promotion activities and green price affect green purchasing behaviors of the consumers in positive way. For today`s consumer, price difference in environment-friendly products has disappeared to be a negative factor now and promotion has become important for consumers. Sen, R. A (2014), which conducting a study of the Impact of Green Marketing Practices on Consumer Buying Behavior in Kolkata. The result is that the consumer purchasing decisions in Kolkata are not influenced by the green marketing practices undertaken by the companies. Consumers agree to the fact that the

companies must undertake green marketing activities, but they are neutral about the companies polluting the environment in which they operate.

Conceptual Framework

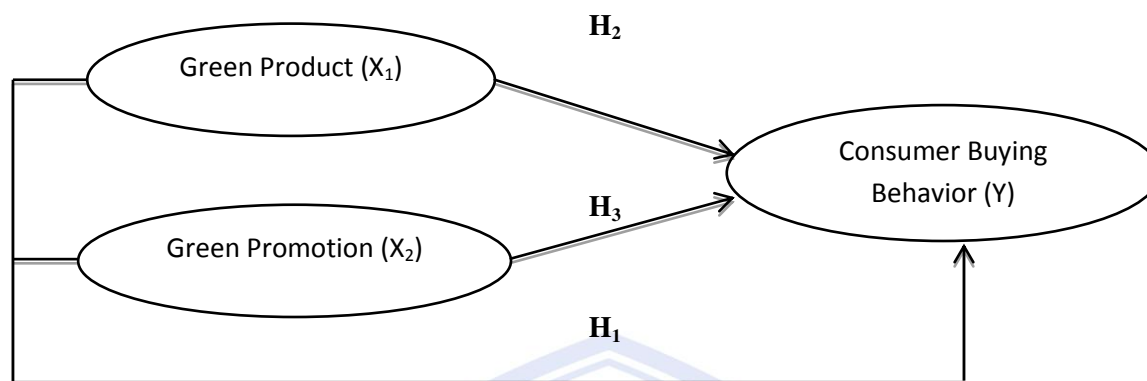


Figure 1. Conceptual Framework

Source: Data Processed, 2016

Research Hypotheses

- H₁ : Green Product and Green Promotion effects Consumer Buying Behavior Simultaneously.
- H₂ : Green Products effects Consumer Buying Behavior partially.
- H₃ : Green Promotion effects Consumer Buying Behavior partially.

RESEARCH METHOD

Type of Research

This research type is causal research in quantitative approach. Quantitative research defined as research method based on positivism paradigm that used to investigate specific population or samples (Sugiyono, 2013:148). This research in field of marketing management will investigate the influence of green marketing to consumer buying behavior.

Place and Time of Research

This study will be conducted in Manado on March until April 2016. And the object in this research is consumer of The Body Shop in Manado.

Population

The population in this research was the people who used The Body Shop's products in Manado. The sample selected in this research was 40 people.

Operational Definition and Research Measurement

Green Product (X₁)

Green product is a product that designed to reduce the manufacturing process and resulting impact to the earth.

Green Promotion (X₂)

Green Promotion is promotion the eco-friendly products or services.

Consumer Buying Behavior (Y)

Consumer Buying Behavior is the behavior of consumer in searching, selecting and buying products based on their satisfaction or needs and wants.

Data Analysis Method Validity and Reliability Test

Validity is a test of how well an instrument that is developed measured the particular concept it is intended to measure. A questionnaire was used as a measuring instrument should qualify the validity of the content. The reliability of a measure is established by testing for both consistency and stability

Multiple Linear Regression Analysis

Multiple regressions are used to express the effect of independent variables and the dependent variable. The formula of linear regression (multiple linear regressions) is general as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$$

Where:

Y = Consumer Buying Behavior

X₁ = Green Product

X₂ = Green Promotion

α = constant

β_1, β_2 = The regression coefficient of each variable

e = error

RESULTS AND DISCUSSIONS

Result

Validity Test

The purpose of validity test is to know whether the instrument is valid or not. If the values are above minimum level of 0.30 and below the significant level of 5% therefore the instrument is considered as valid.

Table 1. Result of Validity Test

| Item | Value | Status |
|------------------|-------|--------|
| X _{1.1} | 0.437 | Valid |
| X _{1.2} | 0.780 | Valid |
| X _{1.3} | 0.571 | Valid |
| X _{1.4} | 0.538 | Valid |
| X _{1.5} | 0.518 | Valid |
| X _{2.1} | 0.747 | Valid |
| X _{2.2} | 0.733 | Valid |
| X _{2.3} | 0.563 | Valid |
| X _{2.4} | 0.684 | Valid |
| X _{2.5} | 0.598 | Valid |
| Y ₁ | 0.797 | Valid |
| Y ₂ | 0.822 | Valid |
| Y ₃ | 0.671 | Valid |
| Y ₄ | 0.523 | Valid |
| Y ₅ | 0.493 | Valid |

Source: SPSS Output, 2016

Table 1 shows all the values of each indicator are greater than 0.3. Since the entire correlations index are greater than 0.3, therefore all the indicators are valid.

Reliability Test

Reliability test is used Alpha Cronbach. If the Cornbach's Alpha is more than 0.6 the data is acceptable and reliable.

Table 2. Result of Reliability Test

| Variables | Cronbach's Alpha | N of Items |
|----------------|------------------|------------|
| X ₁ | 0.718 | 3 |
| X ₂ | 0.765 | 3 |
| Y | 0.766 | 3 |

Source: SPSS Output, 2016

Table 2 shows the values of Cronbach's Alpha, each variable shows that value of Alpha Cronbach is above 0.6. Thus, indicates that all research instrument indicators of variable are reliable.

Multiple Linear Regression**Table 3. Multiple Linear Regression Output**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|----------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 9.361 | 3.346 | | 2.798 | .008 |
| | GreenProduct | .008 | .133 | .010 | .063 | .950 |
| | GreenPromotion | .522 | .182 | .458 | 2.868 | .007 |

Source: SPSS Output, 2016

The multiple linear regression model is shown as follow :

$$Y = 9.361 + 0.008X_1 + 0.522X_2$$

The regression equation can be explained as follows:

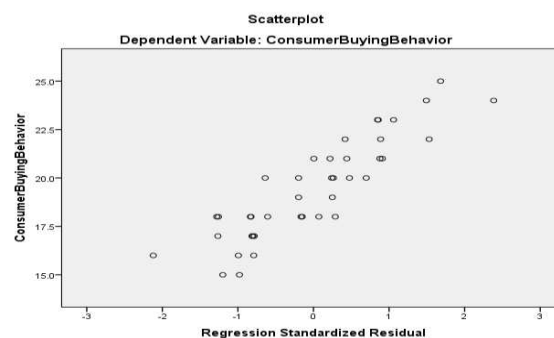
1. Constanta (α) 9.361 shows the influence of Green Product (X_1), and Green Promotion (X_2) to Consumer Buying Behavior (Y), this means that if all independent variables are equal to zero, then the Consumer Buying Behavior (Y) is predicted to be 9.361.
2. Green Product (X_1) = 0.008 means that if there is one unit increasing in X_1 , while other variable are constant then Y is predicted to increase by 0.008.
3. Green Promotion (X_2) = 0.522 means if there is one unit increasing in X_2 , while other variables are constant then Y is predicted to increase by 0.522.

Testing of Classical Assumption**Table 4. Multicollinearity Result**

| Model | | Collinearity Statistics | |
|-------|----------------|-------------------------|-------|
| | | Tolerance | VIF |
| 1 | (Constant) | | |
| | GreenProduct | .835 | 1.197 |
| | GreenPromotion | .835 | 1.197 |

Source: SPSS Output, 2016

The tolerance of green product is 0.835 and green promotion is 0.835, it means that the tolerance value of those two variables are more than 0.2. The VIF value of green product is 1.197 and green promotion is 1.197, it means that the VIF value of those two variables are less than 10. Since all the tolerance value is more than 0.2 and the VIF value is less than 10, the model concluded to be free from multicollinearity.

Heteroscedasticity Result**Figure 2. Heteroscedasticity Result**

Source: SPSS Output, 2016

Figure 4. shows that the dots are spreading above and below zero point. This proves that there is no heteroscedasticity in this regression.

Normality Result

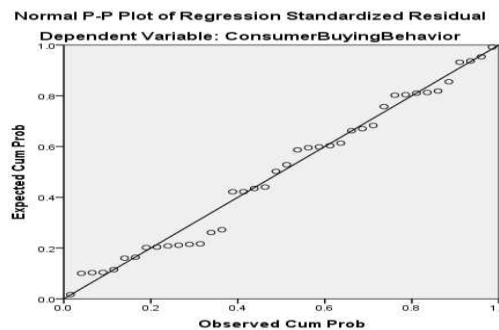


Figure 3. Normality Result

Source: SPSS Output, 2016

Figure 3. Shows that the dots are spreading near to the diagonal line and follow the direction of the diagonal line. Therefore, the normality test is complete.

Result of R and R²

Table 5. Result of R and R²

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .462 ^a | .213 | .171 | 2.360 |

Source: SPSS Output, 2016

The value of R is 0.462, it means that all independent variables: Green product and Green Promotion have positive relationship with Consumer Buying Behavior. The coefficient determinant (R²) is the contribution percentage of independent variables to dependent variable. The value of R² is 0.213 or 21,3% means that consumer buying behavior influenced by green product and green promotion for 21,3%.

Hypotheses Testing

F-Test

Table 6. F-Test Result

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|----|-------------|-------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 55.861 | 2 | 27.931 | 5.014 | .012 ^b |
| | Residual | 206.114 | 37 | 5.571 | | |
| | Total | 261.975 | 39 | | | |

a. Dependent Variable: ConsumerBuyingBehavior

b. Predictors: (Constant), GreenPromotion, GreenProduct

Source: SPSS Output, 2016

Table 6 shows that F_{count} is 5.014 with level of significance 0.012. The value of $F_{\text{table}} = 3.23$, it can be concluded that $F_{\text{count}} = 5.014 > F_{\text{table}} = 3.23$. The overall influence of green product (X1) and green promotion (X2) on consumer buying behavior (Y) is very significant.

T-Test**Table 7. T-Test Result**

| Model | | Coefficients ^a | | | | Collinearity Statistics | |
|-------|----------------|---------------------------|--------------|------|-------|-------------------------|-------|
| | | Unstandardize | Standardized | t | Sig. | Tolerance | VIF |
| | | d Coefficients | Coefficients | | | | |
| | | B | Std. Error | Beta | | | |
| 1 | (Constant) | 9.361 | 3.346 | | 2.798 | .008 | |
| | GreenProduct | .008 | .133 | .010 | .063 | .950 | 1.197 |
| | GreenPromotion | .522 | .182 | .458 | 2.868 | .007 | 1.197 |

a. Dependent Variable: Consumer Buying Behavior

Source: SPSS Output, 2016

1. Table 7 shows that t_{count} for Green Product (X1) is 0.063. Value on t_{table} used for comparison is found at the level of significance of 0.05, which is at the value of $t_{\text{table}} = 2.021$. The result for Green Product (X1) is $t_{\text{count}} = 0.063 < t_{\text{table}} = 2.021$ meaning that H_0 is accepted and H_1 is rejected.
2. Table 7 shows that t_{count} for Green Promotion (X2) is 2.868. Value on t_{table} used for comparison is found at the level of significance of 0.05, which is at the value of $t_{\text{table}} = 2.021$. The result for Green Promotion (X2) is $t_{\text{count}} = 2.868 > t_{\text{table}} = 2.021$ meaning that H_0 is rejected and H_1 is accepted.. The result of this test can be used to declare that Green Promotion (X2) has significant partial influence Consumer Buying Behavior (Y).

Discussion

This research is conducted to see or to find out the influence of Green marketing on consumer's buying behavior. In this case, the researcher chose the green cosmetics and skincare product, The Body Shop in Manado. The respondents of this research are people who use The Body Shop. The data was collected from forty respondents. Based on the result of F-test there is a linear relationship in this multiple regression equation model, in other words all the independent variables influence the consumer buying behavior simultaneously. Green product and green promotion are factors that influence the consumer buying behavior of The Body Shop Manado. The result of T-test shows that the independent variables such as green promotion have significant impact on consumer buying behavior, while green product does not have significant impact on consumer buying behavior. The result of this research is quietly same with the previous researches. If compared with the result from Boztepe(2012) which green product features and green promotion activities affect green purchasing behavior in positive way, in this research green product and green promotion also have a positive influence on consumer buying behavior. But just one of them that have a significant impact to consumer buying behavior, green promotion is. The result shows that the consumer of The Body Shop Manado buying the product because of product quality itself. They did not buying green product because they see what company did for environment. This is same with the result of Sen (2014) research which consumers agree to the fact that the companies must undertake green marketing activities, but they are neutral about the companies polluting the environment in which they operate.

CONCLUSION AND RECOMMENDATION**Conclusion**

There are two constructive findings that can be concluded from the overall result in this research, which are listed as follow:

1. Green Product and Green Promotion simultaneously and significantly influence the Consumer Buying Behavior of The Body Shop Manado.
2. Green Product partially and not significantly influence to Consumer Buying Behavior of The Body Shop Manado.
3. Green Promotion partially and significantly influence to Consumer Buying Behavior of The Body Shop Manado.

Recommendations

This thesis was done with hope that it can be a contribution. The following are recommendations as input that hopefully can be useful as suggestions. There are recommendations that can be concluded from the overall result in this research, which are listed as follow:

1. The Body Shop should still be consistent about their quality of product that already known as a good cosmetic product. The Body Shop should still guarantee their product as a safe product for skin.
2. As a green product, The Body Shop should take care about the natural resources that used as a raw material. So it can be compatible with consumer's skin or body. The Body Shop should improve their product so it can be compatible for any kind of skin.
3. Based on the data, the consumers of The Body Shop are female and young people. Beside of the quality, they also influenced by the promotion. The Body Shop should maintain and also improve the promotion to get more consumers also make it as attractive as possible.
4. The sample size is only 40 respondents. Since The Body Shop Manado has a lot of consumers, it is advisable to have more respondents in the future so the results can be more accurate.

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